

VZCZCXRO6488  
PP RUEHMA RUEHPA  
DE RUEHCO #0931/01 3411002  
ZNR UUUUU ZZH  
P 071002Z DEC 07  
FM AMEMBASSY COTONOU  
TO RUEHC/SECSTATE WASHDC PRIORITY 0038  
INFO RUEHLMC/MILLENIUM CHALLENGE CORP WASHDC  
RUEHZK/ECOWAS COLLECTIVE  
RUEHFR/AMEMBASSY PARIS 1206

UNCLAS SECTION 01 OF 02 COTONOU 000931

SIPDIS

SENSITIVE  
SIPDIS

DEPT FOR AF/W (DBANKS)  
PARIS FOR D'ELIA

E.O. 12958: N/A  
TAGS: [PGOV](#) [KCOR](#) [KMCA](#) [BN](#)  
SUBJECT: STATE AUDIT OFFICE SPEARHEADS FIGHT AGAINST CORRUPTION

REF: (A) COTONOU 888 (B) COTONOU 512 (C) COTONOU 477

COTONOU 00000931 001.2 OF 002

¶1. (U) SUMMARY: The State Audit Office or "Inspection General d'Etat" (IGE) recently assumed a higher profile with investigations of Benin's state electricity company (Ref A) and the former state fuel company. On December 4, PolOff and the Political Assistant met with Jacques Alidou Kousse, the State Auditor General, and his staff to learn more about the IGE's role in fighting corruption. Kousse and his colleagues briefed Post's team on the efforts the IGE has made in the fight against corruption in spite of its resource constraints. PolOff reiterated the importance the USG placed on fighting corruption.

-----  
THE IGE AS A PERSONAL INITIATIVE OF PRESIDENT YAYI  
-----

¶2. (U) The IGE began its life through a decree issued by President Yayi in July 2006. It took the place of Office for the Moralization of Public Life (Cellule de Moralisation de la Vie Publique) which was established by the government of former President Mathieu Kerekou, and widely known to be ineffective. The IGE, which operates autonomously under the supervision of President Yayi, is tasked with controlling and auditing all state companies and services, local government agencies, national public agencies with a public service mandate and public-funded companies to ensure that they comply with the laws that govern their financial management. When the IGE discovers serious misconduct during one of its investigations it passes the results to the GOB's Council of Ministers (the equivalent of the USG Cabinet) for further action.

-----  
THE IGE FUNCTIONS WELL ...  
-----

¶3. (U) Mr. Alidou said that the IGE is composed of 10 seasoned auditors, 6 auditor assistants and 4 judicial police officers. According to Alidou, each of his auditors is a well-trained expert in the field. He underlined that IGE's auditors fully comply with international standards for auditing public bodies and follow strict in-house guidelines for performing their tasks. Alidou explained that the IGE has, since its inception, mostly pursued cases which have been passed to it by President Yayi for investigation. He stated that the IGE's actions in 2008 will be governed by an action plan concentrating on auditing the GOB's public procurement function.

4.(U) The IGE's investigations continue to bear fruit as they uncover past corruption in Benin's publicly owned enterprises. Alidou stated that in the recent investigation of the Benin Electric

Energy Corporation (SBEE), the state-owned electric company, the IGE discovered evidence of over billing and the creation of false companies (Ref A). The IGE also investigated SONACOP, the partially privatized state fuel company, and discovered embezzlement including under billing with associated kickbacks and "off the books" payments to company officers.

-----  
...WITH A FEW CONSTRAINTS  
-----

¶5. (U) Alidou expressed the need for the IGE to acquire a software program which would improve the IGE's auditing capacity and the speed at which it could conduct audits. The IGE could use more personnel as well to accomplish its investigations. In addition to the investigations the IGE performs it is also tasked with drafting the annual action plans for the IGF (Financial Audit Office) and the IGSEP (Civil Service Audit Office). Alidou underscored that all three audit offices need to increase their collaboration. Alidou asked for USG support for the IGE's work.

-----  
COMMENT  
-----

¶6. (SBU) Comment: The IGE plays a prominent role in President Yayi's anti-corruption crusade. Its work, while well done, is hampered by a lack of resources in both human and technical terms. Part of the \$18M Access to Justice project component of the USG's MCC program will address some of the IGE's institutional constraints. The activities include training new and existing personnel, reinforcing the IGE's ability to supervise the courts, advise court staff, and identify unethical behavior; and developing training materials that will strengthen the IGE overall. However, additional USG support for the IGE would be beneficial to ensuring that public corruption decreases with a consequent support for democratic governance. The GOB needs to improve the link between the IGE's investigations and

COTONOU 00000931 002.2 OF 002

criminal prosecutions of the corrupt officials exposed by the IGE to effectively illustrate the end of impunity in Benin. End Comment.

BROWN